REMARKS

Claims 1-8, 10-14 and 16-32 are pending. Note in this response, claims 1, 3, 16, 22, 23 and 27-31 are amended. Claims 38 and 39 are added. Reconsideration and allowance based on the above amendment and following remarks are respectfully requested.

DOUBLE PATENTING REJECTION

The Office Action rejects claims 1-8, 10-14 and 16-37 on the grounds of nonstatutory obviousness double patenting in view of claims 1-6 at the U.S. Patent No. 6,756,955. This rejection is respectfully traversed.

The Office Action groups all the claims together in the double patenting rejection but only refers to claim 1 in the body of the rejection. Upon review of the claims of the present invention with the claims of the U.S. Patent No. 6,756,955, Applicants find that at least claims 2-8, 10-14, 16, 17, 19-27 and 33-35 are improperly grouped in the double patenting rejection as features of these claims are patentably different from the claims of the U.S. Patent No. 6,756,955. For example, there is no claim in U.S. Patent No. 6,756,955 that corresponds to independent claims 10, 24, 25 and 27. Further, regarding independent claims 12 and 16 features are recited in these claims that distinguish them from claims of U.S. Patent No. 6,756,955.

Specifically, claim 12 generates compensation data according to the input image signal and claim 16 generates compensation data for adjusting the gray-scale values of a next frame equation of the first decoding image data and the second decoding image data. In contrast, claim 1 of U.S. Patent No. 6,756,955 generates compensation data for a color space converted image signal. Thus, the claims act on different image signals for a different purpose.

Therefore, Applicants respectfully submit that claims 2-8, 10-14, 16, 17, 19-27 and 33-35 are improperly included in the double patenting rejection and withdrawl of these rejections to these claims is respectfully requested.

Regarding claims 1, 18 and 32 a Terminal Disclaimer has been concurrently filed and attached hereto to address the double patenting rejection of these claims. The Terminal Disclaimers is limited to claims 1, 18 and 32 only.

Also, claims 28-31 have been amended. These claims as amended address the prior art rejection as well as the double patenting rejection. Applicants submit that the amendments changed the scope of claims 28-31 such that they do not overlap in an obvious manner with claims of U.S. Patent No. 6, 756, 955.

Therefore, in view of the above, Applicants respectfully request reconsideration and withdrawl of the double patenting rejection.

PRIOR ART REJECTION

The Office Action rejects claims 28-31 under 35 U.S.C § 103 (b) in view of Matsuta et al. (U.S. Patent No. 5,345,268) and claim 36 based on 35 U.S.C § 103 (a) as being unpatentable over Matsuta et al. These rejections are respectfully traversed.

Claims 28-31 each recite, *inter alia*, wherein the image data process by the processing unit includes data that changes a transmissivity corresponding to the previous frame to a transmissivity corresponding to the present frame within substantially one frame interval. Applicants respectfully submit that this feature is not taught by Matsuta.

Application No. 10/760,461 Amendment dated October 2, 2006 Reply to Office Action of July 3, 2006

Matsuta provides a video signal encoding device that causes the data quantity to be constant even if the aspect ratio of the video signals are different. Lines 52-61 of column 1 states the video signal encoding apparatus of Matsuta is "for encoding video signals which differ from each other in the number of pixels such as a standard video signal with an aspect ratio of 4:3 and a wide video signal with an aspect ratio of 16:9, without increasing the coded data quantity for the video signal having a great number of pixels, and which is advantageous with respect to the circuit scale by sharing a circuit for individual video signals."

In performing the above operation, Matsuta includes an encoder and a decoder which perform intraframe encoding of the standard video signals so that the coded data quantity is constant in every frame, and interframe encoding of the signal in every other frame so that the coded data quantity is constant every two frames.

The coding of the intraframe and interframe signals to insure coded data quantities are constant in particular frames does not teach or suggest a time span for adjusting a transmissivity value of liquid crystals as in the present invention.

Applicants respectfully submit that nowhere in Matsuta does it teach the above features of independent claims 28-31. Further, claims 36 and 37 which include the features of claims 28 and 30 respectfully, are also distinguishable over Matsuta for the above reasons.

Therefore, in view of the above, Applicants respectfully submit that Matsuta fails to teach the feature of the claims as required. Accordingly, reconsideration and withdrawl of the rejection are respectfully requested.

Reply to Office Action of July 3, 2006

CONCLUSION

For at least these reasons, it is respectfully submitted claims 1-8, 10-14 and 16-32 are

in condition for allowance.

Should there be any outstanding matters that need to be resolved in the present

application, the Examiner is respectfully requested to contact Chad J. Billings Reg. No. 48,917 at

the telephone number of the undersigned below, to conduct an interview in an effort to expedite

prosecution in connection with the present application.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future

replies to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any

additional fees required under 37.C.F.R. §§1.16 or 1.14; particularly, extension of time fees.

Dated: October 2, 2006

Respectfully submitted,

-Per D. Richard Anderson

Registration No.: 40,439

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Docket No.: 1190-0581P